



December 29, 2017

Ryan Law  
Director, FOIA & Transparency:  
FOIA/PA Request  
FOIA and Transparency  
Department of the Treasury  
Washington, D.C. 20220  
Telephone: (202) 622-0930  
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**RE: FOIA Request Regarding Records of and Concerning Obama Administration Decisions to Thwart "Project Cassandra" and to Not Investigate or Prosecute Hezbollah**

**EXPEDITED PROCESSING REQUESTED**

Dear Mr. Law:

This letter is a request ("Request") in accordance with the Freedom of Information Act ("FOIA"), 5 U.S.C. § 552, and the corresponding department/agency implementing regulations.

The Request is made by the American Center for Law and Justice (ACLJ)<sup>1</sup> on behalf of our members who have signed our petition to demand the truth about the previous Administration's approval of the transfer of 20% of American uranium production capacity to a Russian-owned energy conglomeration given what we now know through news reports. The ACLJ respectfully seeks expedited processing and a waiver of fees related to this Request as set forth in an accompanying memorandum.

To summarize, this Request seeks any and all records of Department of the Treasury officials and employees concerning "Project Cassandra" including all records of Treasury officials and employees communicating with State Department, DOJ, DEA, NSD and/or Project Cassandra officials/employees concerning directions to not investigate or prosecute (or what was described as "roadblocks" to investigation or prosecution of) drug trafficking or related actions by the

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<sup>1</sup>The ACLJ is a not-for-profit 501(c)(3) organization dedicated to the defense of constitutional liberties secured by law. The ACLJ regularly monitors governmental activity with respect to international affairs, and works to inform the public of such affairs. The ACLJ and its global affiliated organizations are committed to ensuring the ongoing viability of freedom and liberty in the United States and around the world.



Iranian-backed terror group Hezbollah and/or its agents, all as outlined by the Politico's explosive report.

### Background

This Background provides certain relevant contextual information, to the extent known, as contemplated by the Department of the Treasury's pertinent FOIA regulation 31 CFR 1.5(d), instruction that, "[w]henever possible, a request should include specific information about each record sought, such as the date, title or name, author, recipients, and subject matter of the record."

As recently reported by the Hill: "Attorney General Jeff Sessions has ordered a review of a law enforcement effort to crack down on Hezbollah's drug-trafficking and money-laundering operations, as well as actions by the Obama administration on the issue."<sup>2</sup> The report continued: "Sessions ordered the Justice Department 'to evaluate allegations that certain matters were not properly prosecuted and to ensure all matters are appropriately handled,' the agency said in a statement obtained by The Hill."<sup>3</sup>

As the Hill explained, "The move comes in response to a Politico report published Friday detailing how the Obama administration sought to hinder a Drug Enforcement Administration (DEA) campaign known as Project Cassandra in order to avoid derailing a nuclear deal with Iran."<sup>4</sup>

More specifically, according to that Politico report, tellingly titled "The Secret Backstory of How Obama Let Hezbollah Off the Hook":

In its determination to secure a nuclear deal with Iran, the Obama administration derailed an ambitious law enforcement campaign targeting drug trafficking by the Iranian-backed terrorist group Hezbollah, even as it was funneling cocaine into the United States, according to a POLITICO investigation.<sup>5</sup>

According to Politico:

The campaign, dubbed Project Cassandra, was launched in 2008 after the Drug Enforcement Administration amassed evidence that Hezbollah had transformed itself from a Middle East-focused military and political organization into an international crime syndicate that some investigators believed was collecting \$1 billion a year from drug and weapons trafficking, money laundering and other criminal activities.

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<sup>2</sup> Max Greenwood, *Sessions Orders Review of Obama-Era Actions Involving Hezbollah*, THE HILL (Dec. 22, 2017 6:37 pm), <http://thehill.com/policy/national-security/366257-sessions-orders-review-of-obama-era-actions-involving-hezbollah>.

<sup>3</sup> *Id.*

<sup>4</sup> *Id.*

<sup>5</sup> Josh Meyer, *The Secret Backstory of How Obama Let Hezbollah Off the Hook*, POLITICO (Dec. 24, 2017), <https://www.politico.com/interactives/2017/obama-hezbollah-drug-trafficking-investigation/>.

Over the next eight years, agents working out of a top-secret DEA facility in Chantilly, Virginia, used wiretaps, undercover operations and informants to map Hezbollah's illicit networks, with the help of 30 U.S. and foreign security agencies.<sup>6</sup>

This was no low-level Hezbollah operation. Importantly, "with the help of some key cooperating witnesses, the agents traced the conspiracy, they believed, to the innermost circle of Hezbollah and its state sponsors in Iran."<sup>7</sup> But shockingly:

[A]s Project Cassandra reached higher into the hierarchy of the conspiracy, Obama administration officials threw an increasingly insurmountable series of roadblocks in its way, according to interviews with dozens of participants who in many cases spoke for the first time about events shrouded in secrecy, and a review of government documents and court records. When Project Cassandra leaders sought approval for some significant investigations, prosecutions, arrests and financial sanctions, officials at the Justice and Treasury departments delayed, hindered or rejected their requests.

The Justice Department declined requests by Project Cassandra and other authorities to file criminal charges against major players such as Hezbollah's high-profile envoy to Iran, a Lebanese bank that allegedly laundered billions in alleged drug profits, and a central player in a U.S.-based cell of the Iranian paramilitary Quds force. And the State Department rejected requests to lure high-value targets to countries where they could be arrested.<sup>8</sup>

According to individuals interviewed by Politico, "This was a policy decision, it was a systematic decision," said David Asher, who helped establish and oversee Project Cassandra as a Defense Department illicit finance analyst. "They serially ripped apart this entire effort that was very well supported and resourced, and it was done from the top down."<sup>9</sup> As such, there should exist numerous records within the DOJ, DEA, and Project Cassandra operation.

And,

They said senior Obama administration officials appeared to be alarmed by how far Project Cassandra's investigations had reached into the leadership of Hezbollah and Iran, and wary of the possible political repercussions.

As a result, task force members claim, Project Cassandra was increasingly viewed as a threat to the administration's efforts to secure a nuclear deal, and the top-secret prisoner swap that was about to be negotiated.

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<sup>6</sup> *Id.*

<sup>7</sup> *Id.*

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

Monaco's former subordinate, speaking under on condition of anonymity, said the White House did not attempt to curb DEA-led efforts against Hezbollah because of the Iran deal. But the subordinate said the White House felt a need to balance the drug agency's interests with those of other agencies who often disagreed with it.

"The intelligence community fundamentally doubted the intel" from the DEA, the subordinate recalled. "I spent so much time trying to get them to work together."

Nonetheless, after the meeting in Tampa, the administration made it clear that it would not support a RICO case, even though Asher and others say they'd spent years gathering evidence for it, the task force members said.

In addition, the briefings for top White House and Justice Department officials that had been requested by Holder never materialized, task force agents said. (Holder did not respond to requests for comment.) Also, a top intelligence official blocked the inclusion of Project Cassandra's memo on the Hezbollah drug threat from being included in Obama's daily threat briefing, they said. And Kelly, Asher and other agents said they stopped getting invitations to interagency meetings, including those of a top Obama transnational crime working group.

That may have been because Obama officials dropped Hezbollah from the formal list of groups targeted by a special White House initiative into transnational organized crime, which in turn effectively eliminated DEA's broad authority to investigate it overseas, task force members said.<sup>10</sup>

According to the report,

[Lisa] Monaco was a particularly influential roadblock at the intersection of law enforcement and politics, in part due to her sense of caution, her close relationship with Obama and her frequent contact with her former colleagues at the Justice Department's National Security Division, according to several task force members and other current and former officials familiar with its efforts.<sup>11</sup>

According to the Politico report, the State Department has been implicated in the controversial decisions to make it more difficult for Project Cassandra to prosecute Hezbollah: "For their part, task force agents said they tried to work around the obstacles presented by the Justice and State Departments and the White House."<sup>12</sup> "And the State Department rejected requests to lure high-value targets to countries where they could be arrested."<sup>13</sup> More specifically, "under Obama, the State Department blocked an FBI-led Joint Terrorism Task Force from luring a key eyewitness

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<sup>10</sup> *Id.*

<sup>11</sup> *Id.*

<sup>12</sup> *Id.*

<sup>13</sup> *Id.*

from Beirut to Philadelphia so he could be arrested and turned against Safieddine Abdallah and other Hezbollah operatives in a scheme to procure 1,200 Colt M4 military-grade assault rifles.”<sup>14</sup>

The report also details Project Cassandra officials complaining about how they tried to press forward “after years of seeing their cases shot down by the Justice and State departments and other U.S. agencies.”<sup>15</sup> And, according to the report, “Further complicating the picture was the role of the State Department, which often wanted to quash both law-enforcement actions and covert operations due to the political backlash they created.”<sup>16</sup> “By the end of 2012,” for example, “senior officials at the Justice Department’s National Security and Criminal divisions, and at the State Department and National Security Council, had shut down, derailed or delayed numerous other Hezbollah-related cases with little or no explanation, according to Asher, Kelly, Maltz and other current and former participating officials.”<sup>17</sup>

The Politico report also implicates the U.S. Department of the Treasury: “When Project Cassandra leaders sought approval for some significant investigations, prosecutions, arrests and financial sanctions, officials at the Justice and Treasury departments delayed, hindered or rejected their requests.”<sup>18</sup> In fact, “[o]ne Obama-era Treasury official, Katherine Bauer, in little-noticed written testimony presented last February to the House Committee on Foreign Affairs, acknowledged that “under the Obama administration . . . these [Hezbollah-related] investigations were tamped down for fear of rocking the boat with Iran and jeopardizing the nuclear deal.”<sup>19</sup>

As a result, some Hezbollah operatives were not pursued via arrests, indictments, or Treasury designations that would have blocked their access to U.S. financial markets, according to Bauer, a career Treasury official, who served briefly in its Office of Terrorist Financing as a senior policy adviser for Iran before leaving in late 2015. And other “Hezbollah facilitators” arrested in France, Colombia, Lithuania have not been extradited — or indicted — in the U.S., she wrote.<sup>20</sup>

And, the report tied together the Obama Administration’s Iran Deal with its opposition to Project Cassandra: “‘The closer we got to the [Iran deal], the more these activities went away,’ Asher said. ‘So much of the capability, whether it was special operations, whether it was law enforcement, whether it was [Treasury] designations — even the capacity, the personnel assigned to this mission — it was assiduously drained, almost to the last drop, by the end of the Obama administration.’”<sup>21</sup>

News of the DOJ review is receiving praise from Congress. For example, “Sen. Ben Sasse (R-Neb.), who voiced concern this week about the Obama administration’s reported actions regarding Project Cassandra, called the Justice Department review ‘an appropriate first step.’”<sup>22</sup>

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<sup>14</sup> *Id.*

<sup>15</sup> *Id.*

<sup>16</sup> *Id.*

<sup>17</sup> *Id.*

<sup>18</sup> *Id.*

<sup>19</sup> *Id.*

<sup>20</sup> *Id.*

<sup>21</sup> *Id.*

<sup>22</sup> Greenwood, *Sessions Orders Review*, *supra* n. 2.

“I’m encouraged that the Justice Department recognizes that this is important and I hope that they will swiftly provide answers,” Sasse said.<sup>23</sup>

### Records Requested

For purposes of this Request, the term “record” is “any information” that qualifies under 5 U.S.C. § 552(f), and includes, but is not limited to, the original or any full, complete and unedited copy of any log, chart, list, memorandum, note, correspondence, writing of any kind, policy, procedure, guideline, agenda, handout, report, transcript, set of minutes or notes, video, photo, audio recordings, or other material. The term “record” also includes, but is not limited to, all relevant information created, stored, received or delivered in any electronic or digital format, e.g., electronic mail, instant messaging or Facebook Messenger, iMessage, text messages or any other means of communication, and any information generated, sent, received, reviewed, stored or located on a government or private account or server, consistent with the holdings of *Competitive Enterprise Institute v. Office of Science and Technology Policy*, No. 15-5128 (D.C. Cir. July 5, 2016)<sup>24</sup> (rejecting agency argument that emails on private email account were not under agency control, and holding, “If a department head can deprive the citizens of their right to know what his department is up to by the simple expedient of maintaining his departmental emails on an account in another domain, that purpose is hardly served.”).

For purposes of this Request, the term “briefing” includes, but is not limited to, any in-person meeting, teleconference, electronic communication, or other means of gathering or communicating by which information was conveyed to one or more person(s).

For purposes of this Request, the term “Treasury official” includes, but is not limited to, any person who is (1) employed by or on behalf of the U.S. Department of the Treasury (“Treasury”) in any capacity; (2) contracted for services by or on behalf of Treasury in any capacity; or (3) appointed by the President of the United States to serve in any capacity at Treasury, all without regard to the component or office in which that person serves.

For purposes of this Request, the terms “Project Cassandra official” or “Project Cassandra employee” include, but are not limited to, any person who is (1) employed by or on behalf of the Department of Justice, the Drug Enforcement Administration, any other agency or office, or any person not employed by any government agency or office but who was employed or contracted in any capacity to work or provide services for the Project Cassandra task force.

For purposes of this Request, all sources, documents, letters, reports, briefings, articles and press releases cited in this Request are incorporated by reference as if fully set forth herein.

To the best of Requestor’s knowledge and belief, the Treasury offices/bureaus implicated by this Request are the Committee on Foreign Investments in the United States, the Office of Terrorism and Financial Intelligence, the Office of International Affairs, and the Office of the Secretary of the Treasury.

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<sup>23</sup> *Id.*

<sup>24</sup> *Competitive Enter. Inst. v. Office of Sci. & Tech. Policy*, 827 F.3d 145 (D.C. Cir. 2016).

**For purposes of this Request, and unless otherwise indicated, the timeframe of records requested herein is January 20, 2009, through the date of receipt of this Request.**

Pursuant to FOIA, 5 U.S.C. § 552, ACLJ hereby requests that Treasury respond to the following numbered requests and produce all responsive records:

1. All records prepared, generated, forwarded, transmitted, sent, shared, saved, received, or reviewed by any Treasury official or employee that are or that concern in any way communication between any DOJ Office of the Attorney General, Office of the Deputy Attorney General, DEA, NSD, Department of State and/or Project Cassandra official or employee, on one hand and any Treasury official or employee, on the other hand, that relate in any way to the direction to not investigate or prosecute Hezbollah actions (or what was reported as “roadblocks” to investigation or prosecution of such Hezbollah actions) as identified and discussed in the Background section above, including but not limited to any text messages, any record located on backup tapes, archives, any other recovery, backup, storage or retrieval system, DOS electronic mail or message accounts, non-DOS electronic mail or message accounts, personal electronic mail or message accounts, DOS servers, or non-DOS servers, and personal servers, as well as any electronic mail or message carbon copied to agency account recipients, any electronic mail or message carbon copied to non-agency account recipients, any electronic mail or message forwarded to agency account recipients, any electronic mail or message forwarded to non-agency account recipients, and attachments to any electronic mail or message.

2. All records prepared, generated, forwarded, transmitted, sent, shared, saved, received, or reviewed by any Treasury official or employee that are or that concern in any way communication between any Treasury official or employee, on one hand, and any U.S. Government official or employee not within Treasury (e.g., Department of State, Justice Department, Office of the White House, etc.), on the other hand, that relate in any way to any direction to not investigate or prosecute Hezbollah drug trafficking actions (or what was reported as “roadblocks” to investigation or prosecution of such Hezbollah actions) as identified and discussed in the Background section above, including but not limited to any text messages, any record located on backup tapes, archives, any other recovery, backup, storage or retrieval system, DOS electronic mail or message accounts, non-DOS electronic mail or message accounts, personal electronic mail or message accounts, DOS servers, or non-DOS servers, and personal servers, as well as any electronic mail or message carbon copied to agency account recipients, any electronic mail or message carbon copied to non-agency account recipients, any electronic mail or message forwarded to agency account recipients, any electronic mail or message forwarded to non-agency account recipients, and attachments to any electronic mail or message.

3. All email, text message, and/or other communications records prepared, generated, forwarded, transmitted, sent, shared, saved, received, or reviewed by any Treasury official or employee that are, address, or pertain in any way to DOJ attorney Lisa Monaco, that concern or relate in any way to Iran, Hezbollah, and/or Project Cassandra, including but not limited to any text messages, any record located on backup tapes, archives, any other recovery, backup, storage or retrieval system, DOS electronic mail or message accounts, non-DOS electronic mail or message accounts, personal electronic mail or message accounts, DOS servers, or non-DOS servers, and personal servers, as well as any electronic mail or message carbon copied to agency

account recipients, any electronic mail or message carbon copied to non-agency account recipients, any electronic mail or message forwarded to agency account recipients, any electronic mail or message forwarded to non-agency account recipients, and attachments to any electronic mail or message.

4. All email, text message, and/or other communications records prepared, generated, forwarded, transmitted, sent, shared, saved, received, or reviewed by, on the one hand, Katherine Bauer, a career Treasury official, who served briefly in its Office of Terrorist Financing as a senior policy adviser for Iran before leaving in late 2015, or any other Treasury official or employee, and on the other hand, any DOJ Office of the Attorney General, Office of the Deputy Attorney General, DEA, NSD, Department of State, and/or Project Cassandra official or employee, that concern or relate in any way to Project Cassandra, including but not limited to any text messages, any record located on backup tapes, archives, any other recovery, backup, storage or retrieval system, DOS electronic mail or message accounts, non-DOS electronic mail or message accounts, personal electronic mail or message accounts, DOS servers, or non-DOS servers, and personal servers, as well as any electronic mail or message carbon copied to agency account recipients, any electronic mail or message carbon copied to non-agency account recipients, any electronic mail or message forwarded to agency account recipients, any electronic mail or message forwarded to non-agency account recipients, and attachments to any electronic mail or message.

5. All records prepared, generated, forwarded, transmitted, sent, shared, saved, received, or reviewed by any Treasury official or employee that address or that concern in any way Project Cassandra, identified and discussed in the Background section above, including but not limited to any text messages, any record located on backup tapes, archives, any other recovery, backup, storage or retrieval system, DOJ electronic mail or message accounts, non-DOJ electronic mail or message accounts, personal electronic mail or message accounts, DOJ servers, or non-DOJ servers, and personal servers, as well as any electronic mail or message carbon copied to agency account recipients, any electronic mail or message carbon copied to non-agency account recipients, any electronic mail or message forwarded to agency account recipients, any electronic mail or message forwarded to non-agency account recipients, and attachments to any electronic mail or message.

### CONCLUSION

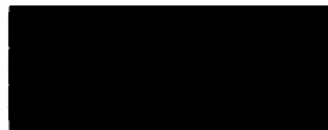
If this Request is denied in whole or in part, ACLJ requests that, within the time requirements imposed by FOIA, you support all denials by reference to specific FOIA exemptions and provide any statutorily or judicially required explanatory information, including but not limited to a *Vaughn* Index.

Moreover, as explained in an accompanying memorandum, the ACLJ is entitled to expedited processing of this Request as well as a waiver of all fees associated with it. The ACLJ reserves the right to appeal a decision to withhold any information sought by this request and/or to deny the separate application for expedited processing and waiver of fees.



Thank you for your prompt consideration of this Request. Please furnish all applicable records and direct any responses to:

Jordan Sekulow, Executive Director  
Carly F. Gammill, Senior Litigation Counsel  
Benjamin P. Sisney, Senior Litigation Counsel  
American Center for Law and Justice



I affirm that the foregoing request and attached documentation are true and correct to the best of my knowledge and belief.

Respectfully submitted,

Handwritten signature of Jordan Sekulow in cursive.

Jordan Sekulow  
Executive Director

Handwritten signature of Carly F. Gammill in cursive.

Carly F. Gammill  
Senior Litigation Counsel

Handwritten signature of Benjamin P. Sisney in cursive.

Benjamin P. Sisney  
Senior Litigation Counsel